

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM JULY 27, 2011
OPEN SESSION

MINUTES OF JULY 27, 2011 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN JIMMY FIELD, VICE CHAIR CLYDE HOLLOWAY AND COMMISSIONERS FOSTER CAMPBELL, LAMBERT BOISSIERE AND ERIC SKRMETTA. ALSO PRESENT WAS EVE KAHAO GONZALEZ.

Open Session of July 27, 2011, convening at 9:25 A.M. and adjourning at 1:28 P.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Secretary Eve Kahao Gonzalez.

Ex. 1 Announcements

Executive Counsel Dennis Weber announced that there will be a special meeting on August 10, 2011 at 8:30 am in Baton Rouge. The next regular session will be September 7, 2011 at 9:00 am in Baton Rouge.

Commissioner Skrmetta congratulated Andre Laborde on his recent military promotion.

Commissioner Holloway announced his grandson, Caleb, was in attendance.

Commissioner Field recognized Karen Wimpelberg of Alliance for Affordable Energy, who introduced the new Executive Director, Casey DeMoss Roberts.

Ex. 2 **T-31171** – Cornwell Well Service, Inc., (Summit, Mississippi), ex parte. In re: Application for a Common Carrier Certificate of non-hazardous oilfield waste over irregular routes statewide.

On motion of Commissioner Field, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Staff Recommendation and rescind Order No. T-31171 issued on April 8, 2010.

Ex. 3 **T-31899** - Louisiana Public Service Commission vs. Cason Moving Co. (Shreveport, Louisiana) In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by operating intrastate without LPSC authority by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1).

In re: Discussion and possible vote on a Stipulated Agreement pursuant to Rule 57.

On motion of Commissioner Field, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Campbell, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$500 and further agreed to pay a citation fee of \$25., for a total of \$525, to be paid within 15 days of the issuance of the Order herein.

Ex. 4 **T-31900** - Louisiana Public Service Commission vs. Big Dog Movers (Kenner, Louisiana) In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by operating intrastate without LPSC authority by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1).

In re: Discussion and possible vote on a Stipulated Agreement pursuant to Rule 57.

On motion of Commissioner Boissiere, seconded by Commissioner Field, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Boissiere, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine \$1,000.00, with \$500.00 suspended on that condition of no additional violations within 12 months of the Order and further agreed to pay a citation fee of \$25.00. for a total of \$525.00 to be paid within 15 days of the issuance of the Order herein.

- Ex. 5 **T-31902** - Louisiana Public Service Commission vs. Gault Movers (Shreveport, Louisiana) In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by operating intrastate without LPSC authority by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1).

In re: Discussion and possible vote on a Stipulated Agreement pursuant to Rule 57.

On motion of Commissioner Field, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Campbell, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$500.00 and further agreed to pay a citation fee of \$25.00, for a total of \$525.00, to be paid within 15 days of the issuance of the Order herein.

- Ex. 6 **U-31196** - Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C. ex parte. In Re: Application of Entergy Louisiana, LLC for Approval to Purchase Power Block Two of the Acadia Energy Center, and Joint Application of Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C. for Approval to Participate in Certain Related Contracts for the Purchase of Capacity and Electric Power and for Cost Recovery.

In re: Discussion and Possible Vote Regarding Entergy Louisiana, LLC's Request for Deferral of Costs Relating to Transmission Upgrades and Consideration under Rule 57.

On motion of Commissioner Field, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept Staff Recommendation and grant ELL's unopposed Request for Deferral of Costs Relating to Transmission Upgrades as filed May 27, 2011.

- Ex. 7 **U-31952** - Atmos Energy Corporation, ex parte. In re: Petition of Atmos Energy Corporation requesting removal of the "dead band" component of the Weather Normalization Adjustment as set forth in LPSC Order No. U-28814 - Consolidated (corrected) dated July 19, 2006 for its regulatory divisions.

In re: Discussion and possible vote on request to hire Exeter Associates, Inc. as outside consultant.

On motion of Commissioner Boissiere, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept Staff Recommendation and retain Exeter Associates, Inc. to assist Staff with the review of Atmos' request to extend the Rider WNA and to remove the dead band component of the Rider WNA for a budget of \$5,900 in fees plus expenses not to exceed \$100 for a total not to exceed \$6,000.

- Ex. 8 **U-31971** - Entergy Louisiana LLC and Entergy Gulf States Louisiana, LLC, ex parte. In re: Joint Application of Entergy Louisiana, LLC for Approval to Construct Unit 6 at Ninemile Point Station and of Entergy Gulf States Louisiana, LLC for Approval to Participate in a Related Contract for the Purchase of Capacity and Electric Energy, for Cost Recovery and Request for Timely Relief.

In re: Discussion and possible vote to hire outside counsel and consultant to assist Staff in this matter.

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to pass the hiring of outside consultant until August to further review the lowest three bidders.

On motion of Commissioner Field, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to retain the firm of Stone Pigman to assist Staff in this matter for a budget of \$239,000 plus expenses not to exceed \$10,000 for a total budget of \$249,000.

Ex. 9 **U-31750** - Cleco Power LLC, ex parte. In re: June 2010 FRP filing pursuant to Order U-30689

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept the Staff Recommendation and order a refund of \$9,007,097 to eligible customers in their August bills based on the actual usage in the billing month of June 2011. Under the terms of the FRP, the refund is to be allocated to each customer class based on that class' base revenue during the test year as a percentage of total base revenues eligible for refund and then allocated to customers in each class based on usage.

Ex. 10 **S-31946** - AT&T Inc. and T-Mobile USA, Inc., ex parte. In re: Joint 301 M filing regarding AT&T Inc.'s Acquisition of the Stock of T-Mobile USA, Inc.

Dr. Schwartz; Gayle Kellner and Bill Atkinson on behalf of Sprint; and Ned Bergin and Debbie Canale on behalf of AT&T presented oral argument and answered questions by the Commissioners.

Commissioner Holloway made a motion to accept Staff Recommendation and approve the acquisition of T-Mobile by AT&T. Commissioner Skrmetta seconded this motion. Commissioner Campbell offered a substitute motion to assign an ALJ and have a full but expedited proceeding. This motion died for lack of a second. Therefore, on motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioners Field and Boissiere concurring and Commissioner Campbell, the Commission voted to, based upon the information derived in Staff's 301.M review, not oppose AT&T's proposed acquisition of the stock of T-Mobile USA, Inc.

Commissioner Field directed Staff to intervene in and monitor the federal investigations of the proposed merger and keep the Commission abreast of any developments that suggest negative consequences for the Louisiana consumers. If such developments occur, the Commission can take appropriate steps to achieve federal safeguards to protect Louisiana consumers. Commissioner Skrmetta directed Staff, in the event this merger is approved, to coordinate with ATT to provide quarterly reports to the Commission regarding access to capital, capital expenditures and the growth of coverage.

Ex. 11 **X-32020** - Louisiana Public Service Commission, ex parte. In re: First annual review of the federal environmental adjustment clause filings of Southwestern Electric Power Company.

In re: Request for permission to issue RFP for outside consultant.

On motion of Commissioner Campbell, seconded by Commissioner Field, and unanimously adopted, the Commission voted to accept the Staff Recommendation and authorize the issuance of an RFP for outside consultant to assist Staff in this matter.

Ex. 12 First annual review of Cleco Power, LLC's federal environmental adjustment clause filings pursuant to Order No. R-29380 Subdocket A.

In re: Request to issue an RFP for an outside consultant.

On motion of Commissioner Field, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation and authorize the issuance of an RFP for outside consultant to assist Staff in this matter.

At the request of Commissioner Field.

On motion of Commissioner Field, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Field, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$2,000.00, per count, with \$1,000.00, per count of the fine being suspended, conditioned on not committing any additional violations within 12 months of the date of the Order and further agreed to pay a citation fee of \$25.00, the unsuspended portion of the fine and the citation fee, for a total of \$2,025.00, to be paid within 15 days of the issuance of the Order herein.

Ex. 18

T-31859 – Louisiana Public Service Commission vs Source Environmental Services Inc. (St. Martinville, Louisiana) In re: Alleged violation of Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating Intrastate without LPSC authority on four counts; allegedly occurring on or about December 14, 2009 through December 23, 2009.

In re: Discussion and possible vote on Stipulated Agreement pursuant to Rule 57.

At the request of Commissioner Holloway.

On motion of Commissioner Field, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept Staff Recommendation and approve the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty, and agreed to pay a fine of \$1,000.00, per count, with \$500.00, per count of the fine being suspended, conditioned on not committing any additional violations within 12 months of the date of the Order and further agreed to pay a citation fee of \$25.00, the unsuspended portion of the fine and the citation fee, for a total of \$2,025.00, to be paid within 15 days of the issuance of the Order herein.

Ex. 19

R-29380 Sub B - Louisiana Public Service Commission, ex parte. In re: An Investigation Into the Ratemaking and Generation Planning Implications of the U.S. EPA Clean Air Interstate Rule.

In re: Staff Request to Issue RFP for Outside Counsel and Request for Additional Budget for Consultant

At the request of Commissioner Field.

On motion of Commissioner Field, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Staff Recommendation and authorize the issuance of an RFP for outside counsel and to authorize Staff to seek an increased budget from Acadian Consulting for approval at the September B&E.

Ex. 20

S-31973 – Atmos Energy Corporation, ex parte. In re: Petition of Atmos Energy Corporation requesting approval to abandon its natural gas distribution facilities and services to and on Isle de Jean Charles, Terrebonne Parish, Louisiana.

In re: Discussion and Possible Vote on Proposed Order.

At the request of Commissioner Field.

On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to accept the Staff Recommendation pursuant to the conditions read into the record.

Ex. 21

S-31969 – Pointe Coupee Electric Membership Corporation, ex parte. In re: Request for a letter

of non-opposition to borrow \$11,618,000 from RUS for the purpose of capital expenditures.

At the request of Commissioner Field.

On motion of Commissioner Field, seconded by Commissioner Holloway, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the issuance of a letter of non-opposition pursuant to the conditions read into the record.

Ex. 22 **S-31970** – Sabine Pass LNG, LP and Sabine Pass Liquefaction, LLC ex parte. In re: Petition for Jurisdictional Determination.

At the request of Commissioner Holloway.

On motion of Commissioner Holloway, seconded by Commissioner Field, and unanimously adopted, the Commission voted to accept Staff Recommendation and approve this project as a non jurisdictional source of electric power supply.

Ex. 23 Staff investigation of rates of return granted to electric and gas utilities in light of current economic conditions and the cost of capital.

At the request of Commissioner Campbell.

Commissioner Campbell directed Staff to investigate the possibility of reducing utilities' return on equity.

MEETING ADJOURNED

The next Business and Executive Session will be held August 10, 2011 at 8:30 a.m. in Baton Rouge, Louisiana.